

UINTAH MOUNTAIN COPPER COMPANY

P.O. BOX 578
PRICE, UTAH 84501
(435) 820-6460

WWW.UINTAHRED.COM

January 27, 2003
File: M/130/002

State of Utah, Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: D. Wayne Hedberg

Attached is the 2002 Annual Report of Mining Operations for Uintah Mountain Copper Company's Sunshine Quartz/Hematite Claims Project as required by Utah law.

All Environmental Assessment studies on the present phase of ore property development are finished and the final approved document is due out in early 2003. The EA preferred Alternative "B" for the test pit development phase of our work was approved in May of 2002, but because of a request by the US Fish and Wildlife Service and a concern group, the Forest Service decided to perform additional field studies to insure that our project would not impact regional fisheries. The Forest Service completed this analysis last fall. The only delay on issuing the final approval document relates to the fact that the USDA budget for FY2003 was not approved by the US Senate until last week. It is our understanding that once the Forest Service has their funding authorized by a joint congressional bill (within the next couple of weeks), they will be able hire a contractor to modify the EA and include this final study work.

Please call us if you have any questions or need further information.

Sincerely,



Peter Kandaris
President, Uintah Mountain Copper Company
Email: peterk@uintahred.com

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DIV. OF OIL, GAS & MINING

Revised
3/9/03
PMB

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
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ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) January 2002 To (mo./yr.) December 2002
2. DOGM File Number (Mine No.): M / 130 /002
3. Mine Name: Sunshine Quartz/Hematite Claims Project
4. Mineral(s) Mined (or permitted to mine): Iron Oxide (Hematite – Pigment)
5. Type of mine ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):
1/4, NW 1/4, NE 1/4, Section 15, Township 2N, Range 6W
1/4, SW 1/4, SE 1/4, Section 19, Township 2N, Range 5W
1/4, 1/4, 1/4, Section, Township, Range
7. Name of Operator or Company: Uintah Mountain Copper Company
8. Permanent Street Address: 2319 N. Hillside Drive
City, State, Zip: Wellington, Utah 84542
Phone: (435) 820-6460
9. Company Representative (or designated operator):
Name: Peter M. Kandariz
Title: President
Business Address: P.O. Box 578
City, State, Zip: Price, Utah 84501
Phone: (435) 820-6460
☐ Please check if any of the above information has changed since previous year.

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II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☐ No ☒
2. If no – what was the last year of activity? 1999
3. If yes – how much ore or mineral was mined? _____

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
None
5. How much **additional acreage** was disturbed during the past year? 0.0 acre
6. How much acreage was **reclaimed** during the past year? 0.0 acre
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
Activities were limited to allow USFS opportunity to complete development EA.
8. What is the **total disturbed acreage of entire project** at years end? 1.38 acres
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.
Forest Service EA was completed late 2001. Alt. "B" approved 5/02 but put on hold for added fisheries study. Re-approval in 2003 anticipated. Scope includes disturbance and reclamation of an additional 1.55 acres, and reclamation of 0.18 acre of presently disturbed area. 1.2 acres of access road will remain for reclamation monitoring.

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information - R647-4-121.2 and .3

1. **The operator shall include an updated map depicting surface disturbance and reclamation performed during the year**, prepared in accordance with Rule R647-4-105.
2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

Peter M. Kandar

Title of Operator:

President

Signature of Operator



Date:

January 27, 2003